petitions pending before different High Courts to the Supreme Court. The Supreme Court has issued notice and, in the mean time, the proceedings in the said petitions in the High Courts have been stayed. The matter is sub-judice.

The Bar Council of India has informed that the Council has no information about any nation-wide agitation by Law Students Forum.

[Translation]

Licences for New Sugar Mills in U.P.

1116. SHRI MUNAWWAR HASSAN : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to issue licences for setting up new sugar mills in Uttar Pradesh;

(b) if so, whether it is proposed to set up a new mill at Kairana-Jhinjhana area of Muzzafarnagar district in U.P.;

(c) if so, by when; and

(d) if not the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Consideration of Industrial Licence applications is an on-going process.

(b) to (d) As per status as on 15.7.96, no proposal for granting any Letter of Intent against any application for the same in Muzzafarnagar District is under consideration of the Government.

[English]

Economic Liberalisation

1117. DR. LAXMINARAYAN PANDEY : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Confederation of Indian Industries (CII) has expressed any apprehensions about the various facets of ongoing process of economic liberalisation and the free-run allowed to foreign multinationals;

(b) if so, the details thereof;

(c) whether the Government have held any dialogue with CII in this regard; and

(d) if so, the results thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) Yes, Sir. The Confederation of Indian Industries (CII) presented a paper entitled "MNCs India Strategy need rethink" in its session held on 22nd March, 1996 to deliberate its strategy towards Multi-nationals in the post election scenario. These issues include - (i) sales approach to India as distinct from manufacturing, (ii) failure in bringing latest technology, (iii) multinational companies rushing to acquire 51% holdings, (iv) setting up a 100% subsidiary despite having a joint-venture with an Indian partner, and appointment of expatriate managers against competitive Indian managements available in the country.

(c) and (d) Suggestions and reactions to the Industrial Policy continue to be received from a number of quarters including the CII. Keeping the above in mind, the Government constantly reviews the policy framework for making the Indian industry internationally competitive and India an attractive destination for foreign investment which is in the interest of the industrial and economic development of the country.

External Aid Utilisation

1118. SHRI SARAT PATTANAYAK : Will the Minister of FINANCE be pleased to state :

(a) whether the pace of external aid utilisation in infrastructure sector is slow;

(b) if so, the reasons therefor; and

(c) the steps taken by the Government to ensure the speedy and proper utilisation of external aid?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) There are slippages in respect of many projects. Overall aid utilisation in infrastructure should be improved.

(b) Slippages are mainly due to delayed investment approval, environmental clearance, delay in finalisation of contracts and delay in release of funds by the State Governments.

(c) In the case of these slippages, the project authorities are urged to overcome these delays through more effective monitoring. In general, steps taken by the government in the last few years include ensuring better utilisation of foreign aid, such as release of 100% as ACA to State Governments in all sectors; release of 25% of the annual expenditure as advance ACA to State Government; disinter-mediation of aid flow to Central Public Sector undertakings to overcome the delay in budgetary process; cancellations and restructuring of projects where necessary; intensified monitoring of projects by concerned credit divisions; setting up of a project monitoring Unit in Ministry of Finance and appointment of nodal officers.

[Translation]

Investment in Bihar

1119. SHRI RAMENDRA KUMAR : Will the Minister of FINANCE be pleased to state :

(a) whether 18 per cent of the amount deposited in the nationalised banks in Bihar is invested in that State while 32 per cent amount is invested at national level; and

(b) if so, the steps taken or proposed to be taken to bring Bihar at par with the national level?